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Government
Publications

Brownfields Showcase

*Realizing the environmental, economic
and community-building benefits
of brownfields redevelopment*





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Introduction

In many Ontario communities, brownfields redevelopment is becoming more significant as municipalities look at redevelopment challenges in their areas and see opportunities for economic, environmental and community enhancements.

Brownfields can be catalysts for attracting new revenue, investment and people to Ontario communities. The benefits of brownfields redevelopment can include:

- economic development (jobs, increased tax revenues, etc.)
- improvement of water, soil and air quality
- reduction of urban sprawl
- more effective use of existing infrastructure, services and facilities
- vitalization of neighbourhoods and communities.

In all communities, from the oldest urban settlements and industrial centres to rural villages, there can be former industrial and commercial sites that are underused, derelict or abandoned. These properties are often situated in desirable locations in the heart of downtowns, adjacent to water ways and in harbour areas. But because the lands were once used for industrial, or commercial manufacturing activities, the possibility exists that they may be contaminated. This possibility is often a disincentive to redevelopment. Many properties sit vacant and neglected for decades.

Some larger urban municipalities with an industrial history estimate that as much as 10 to 15 per cent of their available land may fall into the previously used category. As a result, brownfields redevelopment has the attention of municipal councils, administrators, economic development officers and land-use planners.

What is the Brownfields Showcase?

The Brownfields Showcase program is available to all Ontario municipalities. Its purpose is to assist municipalities to identify a range of potential finance, liability and approvals tools available to support planning and redevelopment activities and to highlight the benefits that can be achieved when brownfield sites are redeveloped. Available products include:

- a resource binder for use by provincial field staff and others in the delivery of one-day seminars for municipal clients, on request
- this booklet summarizing the main points about brownfields redevelopment and where to get more information
- information sheets on specific aspects of brownfields redevelopment.

Purpose

The purpose of the Brownfields Showcase is to:

- raise awareness of community-building opportunities
- balance the playing field between greenfield and brownfield development
- provide a menu of practical finance, liability and process tools
- tell you where to get more information.

What are the Brownfields?

Brownfields are lands on which industrial or commercial activity took place in the past but which are no longer in use, and:

- they may include buildings or may be vacant
- they may be underused or abandoned
- they may or may not have soil or water contamination because of chemicals or other pollutants
- they are often located in prime locations where infrastructure, services and facilities already exist.



Where are they found?

Brownfields are found in virtually every community in Ontario, wherever industrial and commercial uses were formerly located (e.g. harbourfronts, downtowns, along railway lines, etc.):

- Toronto and Hamilton, which have the largest number of vacant industrial sites in Ontario, estimate that 10 to 15 per cent of these sites are brownfields
- Brownfield sites are significant in all established Ontario communities with an industrial past
- In small and rural communities, they may take the form of former dry cleaning establishments, gas stations, railway storage areas, etc.



Community-Building Opportunities and Challenges

In the new millennium, municipalities and land developers may turn to brownfields for development opportunities. This could happen for a number of reasons. The economics of sprawl may make greenfield development financially less attractive. An increasing number of municipalities may come to realize the need to focus investment in their downtown cores and in built-up areas where schools, roads and other infrastructure already exist. An increasing number of developers are taking a second look at brownfield site opportunities.

Three main challenges face those interested in brownfields redevelopment. They are:

- financing
- liability
- planning and environmental investigation and cleanup processes.

A menu of practical tools to help manage these challenges is set out on the following page. Tools include a variety of mechanisms and approaches currently available under existing legislation.

The success story and the case studies (appendix A) contained in this booklet provide additional insight into how brownfields projects can be dealt with and the benefits that can be achieved. Their purpose is to showcase actions taken by both public and private-sector participants to turn brownfields into productive uses that contribute to the vitality of their communities.

Did you know?

The new casino in Sault Ste. Marie is on a former brownfield site.



The transformation of four adjacent brownfield properties in the Cobourg harbour area resulted in \$162 million in residential construction, a new marina and a new waterfront that draws thousands of tourists annually.



Menu of Practical Tools

Here is a brief menu of finance, liability and process tools for use by municipalities. More detailed information is available through the Ministry of Municipal Affairs and Housing Municipal Services Offices as well as from the Ministry of the Environment. See page 7 of this booklet for contacts.

This menu is for information purposes only. As liability and other legal issues may be involved, anyone considering the application of a specific tool should seek legal advice.

Financial Tools

Some tools used by Ontario municipalities to assist in the financing of development costs include:

- municipal loans and grants (e.g., core area grants, building façade improvement loans, building renovation loans)
- tax increment equivalent financing to leverage the difference between current and potential tax yields on redeveloped properties (see appendix B)
- waiver of municipal fees where appropriate (e.g., for development applications and building permits).

Liability Tools

To help manage liability concerns, some tools include:

- Ministry of Environment Liability Agreements signed with local municipalities and lenders that limit exposure to liability risks under circumstances such as site investigations
- technology databases that provide remediation technology and project detail information that can help manage the risks of a brownfields project
- environmental liability insurance that can form part of a comprehensive risk management program for brownfields redevelopment projects.

Process Tools

To help navigate the land-use planning and environmental investigation and cleanup processes in a timely manner, some tools include:

- a process model developed by the Regional Planning Commissioners of Ontario
- one-window customer service provided by a number of local municipalities (e.g., Tillsonburg) to simplify and streamline the required approvals for brownfields redevelopment projects.

A Canadian Success Story

Wabash Heights

“Next to the railway tracks on the fringe of gritty old Parkdale rises a development of pristine Victorian-style houses,” reports a recent Toronto newspaper article. Here new freehold semis and single dwellings, with pitched roofs and gingerbread trim, line Lukow Terrace, just off Wabash Avenue. They are designed to blend in with the existing architecture of the once solidly blue collar neighbourhood.

When the developer bought the old brownfield site a few years ago, vintage 19th century factories had already been torn down, leaving a vacant, desolate property. The company had to clean the soil, but the process was not complex.

The homes are in the Junction, a former focus of industrial activity in west end Toronto. It's an area in transition, which the developer and local merchants expect will become another thriving residential area like Cabbagetown. There is optimism that restaurants and elegant boutiques will move into the area as it transforms.



The Wabash Heights scenario is being repeated across North America and in industrial countries around the world.

In the U.S., this type of redevelopment is common. Americans have been redeveloping brownfields for more than 10 years. This is also the case in England, Germany and other European countries. In Canada, including Ontario, we are still learning about the benefits and opportunities brownfields represent for community building.

Case Studies

Case studies illustrate how some municipalities and developers have successfully redeveloped brownfield sites (see appendix A).

In addition to the case studies, the Ministry of Municipal Affairs and Housing hopes to follow up on new projects, document the use of other tools and add to the Showcase portfolio on a regular basis.

Success Story Headlines

Brownfields redevelopment stories recently featured in newspapers and magazines have generated headlines such as these:

“From Slag to Riches”

“Concrete to Cash”

“Town Turns Garbage Into Gold”



For more information

For More Information

The Brownfields Showcase is for use by municipalities, developers, lenders, planners, economic development officers, environmentalists, community groups and others who share an interest in seeing brownfields turned into safe, clean and productive uses.

Ministry of Municipal Affairs and Housing

Provincial Planning and Environmental Services Branch

14th Floor – 777 Bay Street

Toronto, ON M5G 2E5

(416) 585-6014

Toll Free: 1-800-935-0696

To access the full Showcase program, contact the Ministry of Municipal Affairs and Housing staff located in five Municipal Services Offices across Ontario.

Central

777 Bay Street, 14th floor, Toronto M5G 2E5
General Inquiry: (416) 585-6226
Toll Free: 1-800-668-0230 Fax: (416) 585-6882

Southwest

659 Exeter Road, 2nd floor, London N6E 1L3
General Inquiry: (519) 873-4020
Toll Free: 1-800-265-4736 Fax: (519) 873-4018

East

8 Estate Lane, Rockwood House, Kingston K7M 9A8
General Inquiry: (613) 548-4304
Toll Free: 1-800-267-9438 Fax: (613) 548-6822

Northeast

159 Cedar Street., Suite 401, Sudbury P3E 6A5
General Inquiry: (705) 564-0120
Toll Free: 1-800-461-1193 Fax: (705) 564-6863

Northwest

435 James Street South, Suite 223, Thunder Bay P7E 6S7
General Inquiry: (807) 475-1651
Toll Free: 1-800-465-5027 Fax: (807) 475-1196

For information on cleaning up contaminated sites, contact the Ministry of the Environment.

Tel: (416) 325-4000

Fax: (416) 325-3159

APPENDIX A

Case Study

Bakelite Industrial Site, Belleville, Ontario

Developer

Union Carbide

Location

Belleville, Ontario

Shoreline of Bay of Quinte

Project Significance

Site includes significant wetlands. The Bakelite Manufacturing Plant (chemical products) was established in the 1940s. Key issues included soil and groundwater contamination. Owner of the land may dedicate the site as public open space. The issue of municipal liability is currently under review.

Proposed Use

Wetland conservation parks with low impact walking trail



Site Condition

- Contaminants included phenols, solvents, PCBs in the soil and in the Bay of Quinte sediment

Cleanup

- Excavation of about 500 metal drums of waste
- Removal of soil hot spots for treatment and disposal
- Capping of low-level contaminated areas
- Removal of industrial plant and structures

Cost

- Cleanup estimated at \$3.5 million

Approvals

- Official Plan Amendment to change permitted use from Industrial to Environmental Conservation and Industrial Remediation

Benefits

- Recreation trail to provide walking, hiking, birdwatching and other nature activities within an urban area
- Conservation of wetlands on the Bay of Quinte (identified as a significant problem by the International Joint Commission on the Great Lakes)
- Conservation of wildlife habitat
- Improved access to waterfront lands
- Tourism

Reasons for Success

- Commitment of key parties to the cleanup of toxins – City of Belleville, Bay of Quinte Remedial Action Plan, Environment Canada, Ontario Ministry of the Environment and Union Carbide
- Commitment of key parties to return the site to conservation use in order to protect wetlands on the Bay of Quinte – City of Belleville, Bay of Quinte Remediation Plan and Union Carbide
- Co-operation among the parties to share information, technical reports, etc.

For more information:

Stewart W. Murray

Director of Planning

City of Belleville

City Hall, 169 Front Street

Belleville, ON K8N 2Y8

Telephone: (613) 968-6481

APPENDIX A Case Study

The West Harbour Lands, Cobourg, Ontario

Developer

MacAsphalt Ltd./Shell Canada

Ultramar Canada Ltd.

Imperial Oil

Cobourg Harbour Development Corporation

Location

Downtown waterfront area

Project Significance

Assembling of four privately owned parcels of land.

Use of a neutral third party to mediate the various interests. First project started in 1993. Key issues included soil and groundwater contamination, co-ordination of development and phasing, zoning complexities, Ontario Building Code requirements, height of built form, density, design and parking.

Proposed Use

Mixed - residential/commercial, open space, marina, campground, waterfront trail and sandy beaches



For more information:

Glenn McGlashon

Manager Planning Services

gmcglashon@town.cobourg.on.ca

Ian Roger, Director of Operations

iroger@town.cobourg.on.ca

Wayne DeVeau

Community Services Officer

wdeveau@town.cobourg.on.ca

Richard Stinson

Director of Legislative Services

rstinson@town.cobourg.on.ca

Site Condition

- Contaminants included petroleum, hydrocarbons, creosote and heavy metals that are typical harbourfront contaminants from port, railway and oil storage operations

Cleanup

- Bioremediation (mixing fertilizer, moisture, soil and oxygen)
- Air sparging (to eliminate hydrocarbons)
- Off-site disposal
- Monitoring to ensure no cross-contamination of surface and subsurface waters

Costs

- Estimated cleanup costs – \$2 million
- Estimated municipal investment (roads, overhauling north-south linkages and installing imprinted asphalt so streets resemble European cobblestone roads) – \$3 million over the last three years

Approvals

- Harbour Area Secondary Plan (1990) provides clear policy direction for the future development and use of the harbour lands
- Ontario Municipal Board appeal of zoning bylaws in 1996 and 1997. Resolved through negotiation – appeals were dismissed

Benefits

- Residential construction will generate about \$162 million
- GST will generate about \$2 million
- Construction fees paid to municipality – about \$2 million
- Marina expected to generate \$3.1 million per year
- Construction will generate about 100-200 jobs
- Annual waterfront three-day festival (three days) generates about \$3.6 million
- Enhanced tourism, improved parks and waterfront access and use
- Downtown revitalization and additional housing
- Site cleanup and improvement of the esthetic quality of area

Reasons for Success

- All parties (landowners, public, municipality) established common objectives regarding land use, design and remediation
- Rigorous technical site condition evaluations to establish cleanup plans were consistent with future land use
- Neutral third party to mediate various interests
- Early co-operation, collaboration and consultation with all parties to avoid unnecessary litigation and foster timely, cost-effective solutions

APPENDIX A

Case Study

Courtalds' Fibres Project, Cornwall, Ontario

Developer

Noyer Developments Inc.

Location

Part Lot 4, Concession 1, Plan 52R-5344

South side of Montreal Road

Site Area

Approximately six acres (2.4 hectares)

Project Significance

Former industrial land (manufacturing rayon materials between 1928-1992) abuts St. Lawrence River in eastern Ontario. Ministry of the Environment clearance required because part of the project had been grandfathered under the 1989 Guidelines. Subdivision process was complex because there were at least three major pipes originating from the fibre mills, running under the existing parking lot, out to the river.

Proposed Use

44-lot residential subdivision

Site Condition

- Estimated 18,375 sq. metres contained black course sand/cinder
- Some areas contained higher levels of arsenic
- Stormwater run-off considered; associated contaminants included suspended solids, total dissolved solids, nutrients (e.g., phosphorous and nitrogen), oil and grease, toxic chemicals (e.g., phenol and floatable debris)

Cleanup

- Use of stormwater interceptor or oil/grit separator prior to stormwater outletting to the river
- Removal of arsenic (levels now acceptable for residential and parkland use)
- Soils containing cinder were covered with a substantial layer of topsoil

Costs

- Cost of land – appraised value
- Cleanup costs – unavailable

Approvals

- Approximately three-year process
- Rezoning from Manufacturing 20 to Residential 10 along the waterfront
- Major public open space along the waterfront
- Official Plan designation – Urban Residential
- No appeals to the Ontario Municipal Board

Benefits

- Site cleanup
- Demonstrates brownfields sites can serve as viable redevelopment properties in Cornwall
- Future tax revenues
- Employment opportunities for local contractors
- Provision of additional housing

Reasons for Success

- All issues were dealt with clearly and precisely, with utmost attention
- Courtalds wanted to give something back to the community in thanks for the time the company spent in Cornwall as one of the city's largest single employers – remediation work was conducted by the company

For more information:

Mary Joyce-Smith, MCIP, RPP

City of Cornwall

Planning and Recreation Services

Planning Department

340 Pitt Street, 3rd Floor

Cornwall, ON K6H 5T9

Telephone: (613) 932-6252 (ext. 2335)



APPENDIX A Case Study

Spencer Creek Village, Dundas, Ontario

Developer

Urban Horse Developments

Location

Downtown Dundas. Site is bounded by Ogilvie Street, Hatt Street and Governor's Road

Site Area

12 acres (4.9 hectares)

Project Significance

This former steel foundry site was established before the turn of the 20th century. Recycling and reuse were key components of site cleanup. A key strategy for the success of the project was early communication with the public regarding the development and design of the site.

Proposed Use

Adult lifestyle community

398 residential units, 100 retirement units,

Eurohotel/medical services

Clubhouse and community centre facilities



For more information:

Richard Liebtag

Urban Horse Development

86 Main Street, Suite 514

Dundas, ON L9H 2R1

Telephone: (905) 521-0731

Site Condition

- Highly contaminated site containing creosote, foundry sand, PCBs, hydrocarbons, etc.
- Substantial amount of surface waste

Cleanup

- Two-year process involving several methods to avoid cross-contamination
- Some bioremediation used to remove hydrocarbons
- Tree removal avoided
- Miscellaneous steel sold for scrap
- Bricks were reclaimed for reuse or crushed for landscaping
- Wood beams removed by interested parties at their own cost (e.g. labour, insurance and workers' compensation coverage)
- Wood scraps shipped to the U.S. to burn for fuel
- Steel beams recycled for shoring material
- Slag separation to separate good and bad soil
- Wood chips used for animal bedding

Costs

- Cleanup costs – estimated \$3 million; demolition costs – approximately \$350,000
- Purchase price of land – equivalent to back taxes plus liens

Approvals

- Official Plan Amendment – General Industrial to Residential/Commercial
- Rezoning – General Industrial to Holding Zone for mixed uses
- Subdivision proposal approved (site plan and subdivision agreements)
- Two-year process – no appeals to the Ontario Municipal Board

Benefits

- Increased property taxes and about 70 construction jobs per year
- Estimated \$2.1 million to be generated annually through local spending
- Elimination of contaminated soils
- New public walkways, access along Spencer Creek and large open space to be conveyed to the town
- Additional housing units and use of existing infrastructure
- Increase in downtown population by more than 1,000 people

Reasons for Success

- There was a market for reuse of the site
- Extensive and early communication with the public prior to submitting applications for approval
- Two environmental studies had already been done (providing information on what was needed)
- Innovative cleanup and remediation methods – cleanup costs reduced

APPENDIX A

Case Study

Gateway Project, Sault Ste. Marie, Ontario

Developers

Ontario Lottery Corporation (north half of site)

First Gulf Development Corporation
(south half of site)

City of Sault Ste. Marie (infrastructure)

Location

St. Mary's River waterfront (between International Bridge Plaza and the downtown district)

Site Area

About 27.7 acres (11.2 hectares)

Project Significance

Assembling of four separately owned properties.

Previous uses of lands include a chrome plant, scrap metal yard, industrial pollution control plant and municipal fish hatchery.

Proposed Use

Northern half – casino

Southern half – currently vacant, major tourism project is under consideration



For more information:

Don McConnell

Planning Director

City of Sault Ste. Marie

99 Foster Drive

Sault Ste. Marie, ON P6A 5N1

Telephone: (705) 759-5375

Site Condition

- Portions of the site exceeded Ministry of Environment's Table B – Non-Potable Groundwater
- Wide range of samplings taken, including boron, arsenic, beryllium, chromium, cadmium, copper, nickel and lead

Cleanup

- Process involved initial soil testing, site-specific risk assessment, peer review and implementation (preparation and approval of site-specific risk assessment took two months; all necessary soil testing had been completed earlier)

Costs

- Testing and sampling – \$55,000 paid by municipality and later recouped from the sale of land to the casino
- Total cleanup costs – unavailable
- Land assembly costs (27.7 acres) – \$3,292,000 and later recouped through the sale of land to the casino

Approvals

- Tourist-related zoning included holding provision to ensure compliance with the Ministry of the Environment guidelines
- North half – holding symbol was removed to permit the casino construction after the site-specific risk assessment was reviewed and approved
- South half will follow a similar procedure

Benefits

- New “gateway” to the community
- Employment creation – 550 casino jobs
- Potential for additional tourist-related development
- Cleanup of a community eyesore
- Approximately \$700,000 in annual municipal taxes (north portion)

Reasons for Success

- Suitability of the site for major tourism development
- Soil contamination issues could be mitigated at minimal cost
- Early resolution of issues
- Proactive approach taken by the city

Developer

Davies Smith Developments Inc.

Location

East side of Parliament Street (near Front Street),
south of Mill Street, located adjacent to the
St. Lawrence Neighbourhood

Site Area

13 acres (five hectares)

Project Significance

This is a national historic industrial (distillery) site with 45 brick-and-stone buildings dating from 1859 to 1927. A key strategy for this project is to retain and enhance the heritage buildings on the site.

Proposed Use

1,000 condominium residential units

Retail commercial (in the renovated and existing heritage buildings)

Distillery interpretive centre

Children's museum and studio/media floor space

365,000 sq. feet of enhanced and reused heritage buildings



For more information:

Walter Davies, CEO

Davies Associates

Telephone: (416) 363-1030

Lance Alexander, Planner

City of Toronto

Planning Department

Telephone: (416) 392-7573

Site Condition

- Because of the close proximity to Lake Ontario, the high water table is only two feet down
- The site contains pollutants that have migrated from off site
- Coal tar has migrated from off site, creating a hot spot at the southeast corner
- Groundwater quality was affected by an underground stream carrying a variety of pollutants

Cleanup

- Groundwater was pumped and filtered (exceeded the City of Toronto's sanitary sewer standards)
- Some soil removal
- Coal tar deposit was located 35 feet beneath the surface (assessed not to be a health or safety concern)
- Record of Site Condition completed
- Ground floors of buildings will be raised above the regional flood line of the Don River

Cost

- Estimated \$300 million (for all costs – cleanup, redevelopment etc.)

Approvals

- King – Parliament Part II Official Plan
- Already zoned for mixed use
- Development in phases, through individual site plan approval

Benefits

- Revitalizes a historically significant site
- Revitalizes lands that are on the fringe of a transitional and economically depressed area
- A logical easterly extension of the uses and scale of development represented by the adjacent St. Lawrence neighbourhood
- Takes advantage of the site's unique character to propose a range of uses generally not possible on a more conventional site
- Landmark example of a successful integration of heritage buildings
- Uses existing municipal infrastructure
- Meets demand for reasonably priced housing in a transit-oriented downtown location

Reasons for Success

- Developer was willing to assume the risks associated with the development of a contaminated site
- A development team skilled in the financial aspects of redeveloping a contaminated site
- High standard of architecture and urban design, producing the necessary floor space for the project to be economically viable
- Retention and enhancement of the existing heritage buildings
- The decommissioning process was clear, reasonable and supported by the participants in the process
- Official Plan policies and zoning bylaw were already in place

APPENDIX A

Case Study

Railway Land Project, Wingham, Ontario

Developer

Joe Durand Construction Inc.

Location

Residential area near Alfred and Shuter Streets

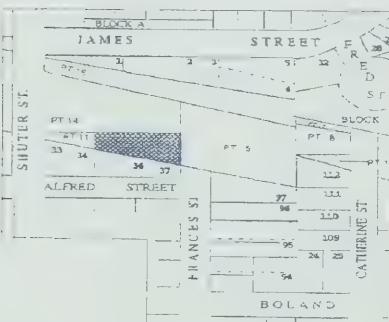
Walking distance to the downtown area

Project Significance

This is a municipally driven project. The site was a section of abandoned rail lines.

Proposed Use

Six – three-unit townhouses



Site Condition

- Old fuel tank situated on a portion of the property
- Shallow soil and groundwater on the site were impacted with fuel components
 - benzene
 - toluene
 - ethylbenzene
 - xylenes (BTEX)
 - total petroleum hydrocarbons

Cleanup

- Removal of contaminated soil

Cost

- Cleanup costs – \$50,000 (paid by the Town of Wingham)

Approvals

- Official Plan Amendment to change designation from Railway Land to Residential
- Zoning bylaw amendment to rezone land from Railway Land to High Density Residential

Benefits

- Sale of property nets \$75,000 for the town
- Building permit nets \$4,500 for the town
- Anticipated tax assessment of \$1,350,000
- Employment opportunities for local contractors
- Additional housing in the downtown area

Reasons for Success

- All parties (developer, municipality, neighbouring landowners) established common objectives regarding the land use

For more information:

John Stewart

Clerk-Treasurer

Town of Wingham

Telephone: (519) 357-3550

Developer

Coastal Petrochemical Company

Location

Former Gulf Canada refinery located in
east Montreal

Site Area

2,290,000 sq. feet (21.3 hectares)

Project Significance

Land transferred into a brownfields trust to provide the prospective buyer with environmental liability relief. The trust was established because the Government of Quebec could not find a buyer for the land because of the hazardous waste and environmental contamination on the site. Title to the building and the industrial equipment was transferred to Coastal. Partnership between the developer and the Government of Quebec.

Proposed Use

Industrial

For more information:

[www.glc.org/projects/robin/cases/
kemtech.htm \(source\)](http://www.glc.org/projects/robin/cases/kemtech.htm)

Site Condition

- Hazardous waste and environmental contamination associated with petrochemical refineries

Cleanup

- Staged – five years to clean up surface hazardous waste, with continuing remediation of the soil and groundwater

Costs

- Initial stages of remediation – \$1.7 million
- Government of Quebec contributed \$6,180,000 (primarily used to guarantee a five-year cleanup)
- Coastal agreed to annual contributions based on an annual product sales formula – maximum payments not to exceed \$1,520,000; payments to continue until remediation is complete or until the property is purchased by Coastal or another party

Approvals

- No change in the land use

Benefits

- Most of the hazardous waste has been cleaned up; confinement system for the contaminated groundwater is operating; and remediation of the soil is ongoing
- Abandoned petrochemical plant is now in productive use and the existing facilities have been modernized
- Savings of taxpayers' money because the province avoided taking direct ownership of the property and, hence, direct responsibility for cleaning up the site
- The government had all monies refunded from the trust (because of the success of Coastal's business operations)
- Relief from environmental liability allowed Coastal to proceed with its business proposal
- Job creation and tax revenues
- Cleanup of the site

Reasons for Success

- Coastal was willing to acquire the site because of the establishment of the trust
- The guarantee from environmental liability allowed Coastal to proceed
- The approximately \$6 million guarantee by the government to cover the costs of cleanup of the hazardous waste
- Agreement between the government and Coastal that ensured Coastal would pay an annual amount of money for the continuing costs of cleanup

APPENDIX A

Case Study

Moncton Shops Project, Moncton, New Brunswick

Developer

Canada Lands Company Limited

Location

West edge of downtown Moncton

Pacific Avenue intersects the site with Moncton

Shops to the north and Franklin Yards to the south

Site Area

Moncton Shops – 103.6 hectares

Franklin Yards – 26.3 hectares

Project Significance

Use of risk-based assessment approach. Site acquired in 1995. All service amenities were available to the area (infrastructure, transportation etc.). Phased development began in 1997.

Proposed Use

Commercial (information technology) and recreational, with residential uses proposed for the south side (Franklin Yards)

Site Condition

- Contaminants include debris (asphalt, concrete, wood waste, scrap metals); trace metals (copper, zinc, lead, arsenic, tin); organic (hydrocarbons, degreasing solvents); industrial residue (compressed gas cylinders, paint residues, calcium, carbonate, asbestos, foundry sand)

Cleanup

- Bioremediation
- Thermal remediation
- Removal of soils containing ore concentrates (17 per cent of soils)
- Soil treatment to limit leaching of metals
- Soil blending
- Removal and neutralization of gas in cylinders
- Recycling of timber, metals, wood scraps, concrete/asphalt and soil with ore concentrates

Costs

- Land acquisition cost – none
- Cleanup costs – estimated at \$12 million

Approvals

- Two-year process
- Greater Moncton Area Master Plan required revision
- Rezoning required for Moncton Shops and Franklin Yard
- Phased development

Benefits

- Removal of environmental contaminants
- Future tax revenues for city
- Increased recreational and residential facilities
- Increased downtown activities/economic spinoffs
- Improved traffic circulation with new road connections
- Approximately two-thirds of remediation costs are expected to be spent in the Greater Moncton Area
- Saving of the wildlife on the subject lands
- Job creation

Reasons for Success

- Extensive and early communication with the public was the cornerstone of the developer's approach: "If you can't convince the community that you are committed to the most positive end results, the best science and plans will not succeed."
- Provincial co-operation with respect to using the risk-based assessment approach which had not yet been adopted by the Atlantic provinces
- Effective project management to ensure timelines were met within a "sustainable" development framework



For more information:

Harold Kenny, General Manager NB/PEI

Don MacCallum, Project Manager

Canada Lands Company

770 Main Street, 10th floor, Box 6011

Moncton, NB E1C 1E7

Telephone: (506) 862-2445

E-mail: clcmont@nbnet.nb.ca

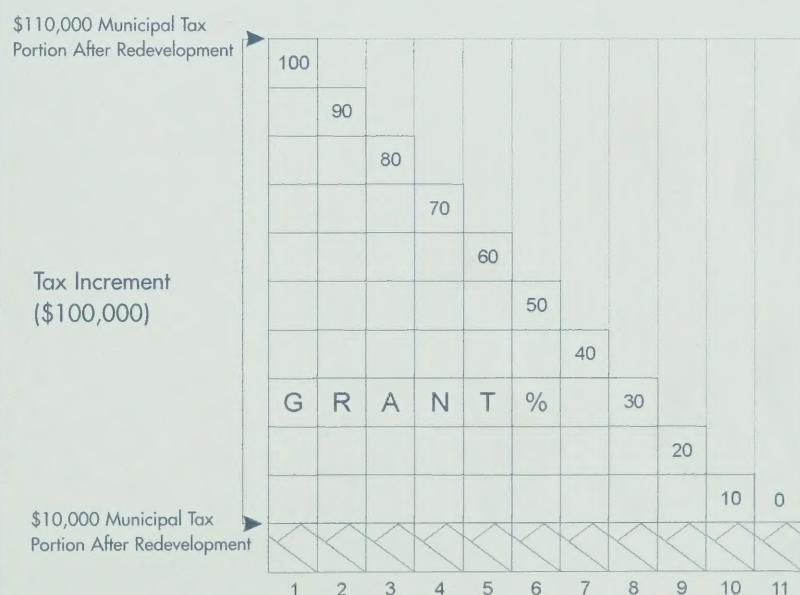
Outline of Tax Increment Equivalent Financing

Some Ontario municipalities are adapting concepts of their American counterparts to provide assistance that is tax-increment based. In more than 45 states, tax increment financing (TIF) enabling legislation has been implemented for a variety of economic and social reasons, including the need to stimulate low- and moderate-income housing, create employment opportunities, finance capital projects and encourage redevelopment of contaminated or derelict sites and “blighted” downtown areas.

Under state legislation, municipalities create a TIF district and can freeze the taxes that go to the various taxing authorities (local government, state, school board) to the level before redevelopment. Any increase stemming from redevelopment can be diverted to a separate TIF authority and can be used to provide financial incentives for site remediation, new development and rehabilitation of existing buildings. Funds are also earmarked for the provision of new services and improvement to existing services.

Ontario's legislative framework does not provide the authority for municipalities to establish TIF districts, freeze taxes or divert the increase to a separate TIF authority. However, a number of municipalities have developed innovative approaches to providing financial incentives for private-sector-led redevelopment and community improvement initiatives that minimize financial pressures on the municipality. The cities of London and Thunder Bay have set up programs that provide tax increment equivalent grants to property owners through the community improvement provisions of Section 28 of the *Planning Act*. A number of other municipalities are in the process of adopting similar plans.

Example of Tax Increment Equivalent Grant



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